

ORIGINAL

MEMORANDUM



0000124209

TO: Docket Control Center

RECEIVED

FROM: Steven M. Olea
Director
Utilities Division

2011 MAR 31 P 2:01

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DATE: March 31, 2011

RE: MORENCI WATER & ELECTRIC COMPANY - REQUEST FOR EXTENSION OF
COMPLIANCE DEADLINE (DOCKET NO. E-01049A-09-0420)

In Decision No. 71468, dated January 26, 2010, the Arizona Corporation Commission ("Commission") approved the application of Morenci Water & Electric Company ("Morenci" or "Company") for an adjustment in its purchased power and fuel adjustment clause rate. Decision No. 71468 ordered the following:

"It is further ordered that Morenci file a rate case by March 31, 2011, using a 2010 test year."

On March 9, 2011, Morenci docketed a "Motion to Extend Time to File Rate Case" seeking a ninety ("90") day extension of time from March 31, 2011, to approximately June 30, 2011, for the filing of the required rate case application. The application states that the Company has two divisions (water and electric) that have not filed a rate case since 1983. This requires the Company to review and analyze a great amount of historical information to make the required rate case filing. The Company also stated that the extension would allow the Company to prepare cost of service studies for each division and provide time for researching methods to "mitigate the increases to non-mining customers".

Based on its review of the application and further discussions with Company representatives, Staff recommends that the due date for the rate application be extended until July 29, 2011, with a December 31, 2010 test year. Finally, Staff recommends that no further extensions of time be granted in this matter.

SMO:BKB:lhmm

Originator: Brian K. Bozzo

Arizona Corporation Commission

DOCKETED

MAR 31 2011

DOCKETED BY

mm

SERVICE LIST FOR:
DOCKET NO.

MORENCI WATER & ELECTRIC COMPANY
E-01049A-09-0420

Mr. Michael W. Patten
Roshka, DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004